

Troy Shumaker (Walters Gardens) to the Senate Agriculture Committee  
February 27, 2018

Thank you Chairman Hune and members of the committee for the opportunity to speak with you today regarding HB 4561. My name is Troy Shumaker and I am the COO of Walters Gardens.

Walters Gardens is a wholesale perennial nursery operating in Zeeland, Michigan for 72 years, transitioning from second generation to third generation ownership. We currently employ 237 part time and full time staff year round. We farm 1,500 acres of land for bare root perennial production and have 566,652 square feet (13.23 acres) of greenhouse structures for starter perennial liners.

I have been with Walters Gardens for 25 years. During that time, we have had 3 sales and use tax audits. Up until our most recent audit in 2017, we have been operating under the past practice of not having to pay sales tax on production greenhouses. The outcome of our 2017 audit and the re-interpretation of the sales and use tax law caused us to pay an additional, out of budget, amount of \$43,000.

Our industry is a very mature and competitive market. Not a season goes by without a well-established customer closing their doors. With the pressures of increasing health care costs and a shortage of willing and reliable workers, our industry does not need an additional taxation burden as represented by the reinterpretation of the sales and use tax law.

I am asking you to support HB 4561 not only for Walters Gardens but for all of our colleagues in the agricultural industry.

Mr. Chairman, members of the committee, thank you for your time and attention to this matter.

I am available to answer any questions you may have.